



COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

July 1, 2002

FOR: FOOD STAMP CERTIFICATION MANUAL DISTRIBUTION

FOOD STAMP CERTIFICATION MANUAL – VOLUME V

TRANSMITTAL #53

This transmittal contains policy changes, clarifications, or corrections for the Food Stamp Program. A major change in the transmittal is the revised policy for determining entitlement to expedited service processing. The change to the expedited policy is because of recent program reviews conducted by the U. S. Department of Agriculture. Effective July 1, 2002, local workers must assess entitlement to expedited service for all recertification applications filed after the certification period has expired.

Broadcasts #1606, issued January 17, 2002 and #1643, issued March 1, 2002, advised of this policy change and the delay in implementation. We originally planned to implement this policy change effective February 1, 2002, but we postponed the implementation because changes to the ADAPT system had not been made. The Division of Information Systems has completed needed ADAPT programming changes to allow the expedited determination and notices for late recertification applications.

Once the worker determines that a household is entitled to expedited processing, all the related provisions of the expedited service policy will apply to the households that file recertification application after the certification period expires. These processes include:

- the seven-day service delivery standard;
- delivery of benefits for the month of application and the following month for applications filed after the 15th of the month;
- issuance of the hotline flyer; and
- postponement of the receipt of verification including, in some instances, the certification interview.

This transmittal also includes clarifications or policy changes that stem from the publication of federal regulations on November 21, 2000. We implemented most of the provisions for these regulations through Transmittal #50, issued June 21, 2001. Changes made based on the federal regulations include:

- allowance for interim certification period interviews;
- septic tank fees as an allowable shelter expense; and
- expansion of allowable self-employment costs to include payments on the principal for purchases of business-related property.

Most of the provisions of this transmittal are effective July 1, 2002, for all applications filed on or after July 1, 2002, or for applications held pending as of that date. The clarification about persons fleeing prosecution or punishment became effective December 20, 2001, with the issuance of Broadcast #1582.

Guidance for maintenance of the manual follows.

Remove Page(s)	Insert Page(s)	Significant Changes
Definitions Pages 3-5	Definitions Pages 3-5	The public assistance definition is clarified to note that one is authorized to receive a payment if benefits are suspended, recouped or falls under the minimum amount for a payment.
Part II Pages 5-8	Part II Pages 5-8	<p>A discussion is added about interviews arranged during a certification period. The agency may not require the interview.</p> <p>We deleted the discussion about providing an opportunity to participate for issuance of benefits using an Authorization to Participate card.</p>
Part IV Pages 3-4	Part IV Pages 3-4	<p>A clarification is added to allow a four-month certification period for households subject to the Work Requirement that may receive prorated benefits for the application month and benefits for three full months</p> <p>A statement is added in the recertification section that allows expedited service processing for certain recertification applications.</p>

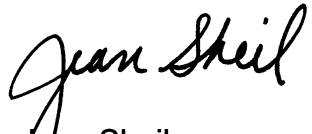
Remove Page(s)	Insert Page(s)	Significant Changes
Pages 7-10	Pages 7-10	<p>Policy is added to address the delivery of benefits for households that file recertification applications after the certification period expires.</p> <p>References to normal issuance cycles were deleted. Policy is added to require that households must receive a full month's benefit if the processing time for recertification applications extends beyond the processing period because of the 10-day standard for households to provide verification.</p>
Part V Pages 1-6	Part V Pages 1-6	<p>Policy is added that in addition to an evaluation of expedited service processing at initial application and reapplication, workers must also determine entitlement for households that apply for recertification after the certification period is over.</p>
Part VI Pages 9-10	Part VI Pages 9-10	<p>Clarification is added about persons who are fleeing prosecution or punishment. These persons must know a warrant exist for their arrest in order to disqualify them from receiving food stamps.</p>
Part VII Appendix I Pages 3-4	Part VII Appendix I Pages 3-4	<p>The minimum payment is added for 2002 that one must earn for a quarter of coverage for Social Security benefits.</p>
Appendix II Pages 8-9	Appendix II Pages 8-9	<p>Corrections were made to the list of agencies that must contact the Arlington office of the Immigration and Naturalization Service.</p>

Remove Page(s)	Insert Page(s)	Significant Changes
Part IX Pages 5-8	Part IX Pages 5-8	The reference to unlicensed vehicles was deleted from Category 1. Category 4 was revised to limit the total exemption of unlicensed vehicles to instances where a sale or disposition value would likely yield an amount of \$1,500 or less.
Part X Pages 3-6	Part X Pages 3-6	Clarification is added to allow septic tank fees as allowable shelter deductions. Clarification is also added that prohibits splitting the utility standard if persons outside the food stamp household are ineligible or disqualified from participating in the Food Stamp Program.
Part XII Pages 3-6	Part XII Pages 3-6	<p>Revised the policy for evaluating capital gains for self-employed persons whose income is anticipated. Any capital gains anticipated over the same period as the anticipated income is countable instead of being averaged over a 12-month period.</p> <p>Payments on the principal of loans to purchase property for a self-employment enterprise are now allowable in addition to the interest payments in determining the countable monthly income.</p>
Part XV Pages 1-2	Part XV Pages 1-2	The policy for determining the number of hours a household member must participate in a work experience effort is changed. The household's allotment divided by the minimum wage will determine the number of hours the member must serve.

Remove Page(s)	Insert Page(s)	Significant Changes
Appendix 1 Page 1	Appendix 1 Page 1	The list of localities whose residents are exempted from the work requirement is changed to include agencies that received the labor surplus designation from the U.S. Department of Labor.
Part XVII Pages 7-10	Part XVII Pages 7-10	The claims repayment section is revised. A household's verbal authorization to allow a one-time deduction from the electronic benefit transfer account (EBT) is no longer permissible.
Part XIX Pages 13-14, 19	Part XIX Pages 13-14, 19	References to disqualification penalties and the Disqualified Recipient Subsystem are revised.
Part XXIV Pages 120-121	Part XXIV Pages 120-121	The instructions for the Request for Verification form are revised to address sending the form when an applicant misses a scheduled interview.
Part XXV Pages 15-16	Part XXV Pages 15-16	The policy related to supportive services is revised. Supportive services for persons under a sanction are applicable only to result in compliance but not to maintain employment.
Pages 25-26	Pages 25-26	A clarification is added about continuing benefits once a household files an appeal based on an employment and training program for food stamps (FSET) action.

Remove Page(s)	Insert Page(s)	Significant Changes
Appendix III Pages 27-28	Appendix III Pages 27-28	The instructions for the statistical report for FSET are revised.

This transmittal letter must be retained indefinitely.


Jean Sheil
Deputy Commissioner
Program Operations

Attachment

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Disqualified Recipient Subsystem (DRS) - A nationwide central database of persons who have committed Intentional Program Violations (IPV).

Homeless Household - A homeless food stamp household is a household that lacks a fixed and regular nighttime residence or a household whose primary nighttime residence is:

- a. A supervised shelter designed to provide temporary accommodations (such as a welfare hotel or emergency shelter);
- b. A halfway house or similar institution that provides temporary residence for individuals who would otherwise be in an institution;
- c. A temporary accommodation in the residence of another. (Temporary is defined here as having been in the home for not more than 90 days as of the date of application); or
- d. A place not designed for, or ordinarily used as a regular sleeping accommodation for human beings (e.g., as a park, bus station, hallway, lobby or similar places).

Initial or New Application - The first application for food stamps filed in a locality by a household. If the household subsequently moves to another locality, the first application taken in the new locality is also a new application.

Intentional Program Violation (IPV) - An intentional program violation shall consist of any action by an individual of having intentionally:

- a. Made a false or misleading statement to the local agency, orally or in writing, to obtain benefits to which the household is not entitled. An IPV may exist for an individual even if the agency denies the household's application;
- b. Concealed information or withheld facts to obtain benefits to which the household is not entitled; or
- c. Committed any act that constitutes a violation of the Food Stamp Act, Food Stamp regulations, or any State statutes relating to the use, presentation, transfer, acquisition, receipt, or possession of food stamp coupons, ATP cards or access devices.

An IPV shall also consist of any action by an individual to knowingly, willfully and with deceitful intent use food stamp benefits to buy nonfood items, such as alcohol or cigarettes, use or possess improperly obtained coupons, ATP cards or access devices, or trade or sell coupons, ATP cards or access devices.

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Migrant Farmworker - A farmworker who had to travel to do the farm work and who was unable to return to the permanent residence within the same day. See also Seasonal Farmworker.

PA Case - A public assistance (PA) food stamp case is any case in which all household members receive or are authorized to receive income from the Temporary Assistance for Needy Families (TANF), Maintenance General Relief (GR) or Supplemental Security Income (SSI) Program. Any case that contains at least one member who does not receive TANF, GR or SSI is a nonassistance (NA) food stamp case. **"Authorized to receive" income includes instances when approved benefits are not accessed, are suspended or recouped, or are less than the minimum amount for the agency to issue a payment.**

A PA case also includes a case in which any member receives or is authorized to receive a service from a program funded by the TANF block grant. Service programs must derive more than 50 percent of their funding from the TANF block grant or from state funds intended to meet the Maintenance of Effort for TANF funding. These programs must be for the purposes of:

- a. assisting needy families;
- b. promoting job preparation, work and marriage
- c. preventing or reducing out-of-wedlock pregnancies, provided the program imposes a 200 percent of poverty income guideline; or
- d. promoting two-parent families, provided the program imposes a 200 percent of poverty income guideline.

A child removed from the TANF grant because of noncompliance with school attendance requirements continues to be a PA recipient, for food stamp purposes, as long as the TANF case status remains active.

A case will be a PA unit as long as each household member derives some income from TANF, GR or SSI or at least one person receives a TANF service, which benefits the entire household. A case will also be a PA case as long as the PA income counts toward the food stamp eligibility or allotment, such as in the case of the Noncompliance with Other Programs policy of Part XII.D.

Reapplication - A reapplication is processed as an initial or new application. A reapplication is:

- a. An application which is filed after an adverse or negative action. An adverse or negative action is a denial of an application or termination of an ongoing case.
- b. An application filed when more than a calendar month has elapsed after the last certification end date.

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Recertification - The term recertification may refer to an application or the process of renewing eligibility and entitlement to benefits. A recertification application is an application filed before the certification end date or in the calendar month after the certification end date, provided the application does not follow an action to close the case.

Seasonal Farmworker - An individual employed by another in agricultural work of a seasonal or other temporary nature. This includes employment on a farm or ranch performing fieldwork such as planting, cultivating or harvesting, or employment in related activities such as canning, packing, seed conditioning or related research, or processing operations.

Trafficking - The buying or selling of coupons, Authorization to Participate (ATP) cards or Electronic Benefits Transfer (EBT) cards or benefits for cash or consideration other than eligible food; or for the exchange of firearms, ammunition, explosives, or controlled substances.

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The agency must not determine the household to be ineligible when a person outside the household fails to cooperate with a request for verification. The agency may not consider disqualified or ineligible people excluded from the Food Stamp Program as nonhousehold members. See Part VI.C.

D. INTERVIEWS (7 CFR 273.2(e)(1) and (3))

All applicant households, including those submitting applications by mail, fax, or electronically, must have face-to-face interviews with a qualified eligibility worker before initial certification and certification based on a reapplication. Interviews for recertification applications must occur at least once every twelve months. The individual interviewed may be the head of household, spouse, any responsible member of the household, or an authorized representative. For the purposes of this manual, responsible household member means a household member 18 years of age or older who has sufficient knowledge of the household's circumstances to provide any necessary information. The applicant may bring any person to the interview as desired.

The certification interview must occur in the local agency food stamp office or other mutually acceptable site. The interview may take place in the applicant's home provided the EW arranges for the visit in advance as per Part III.A.3.

The interviewer must not simply review the information that appears on the application, but must explore and resolve with the household unclear and incomplete information. At the same time, the EW must make the applicant feel at ease. The interview must include:

1. An explanation of basic program procedures, including the local agency's and the household's responsibilities and the consequences, if these responsibilities are not met. This includes an explanation of the consequences of voluntarily quitting employment. This also includes an explanation of the issuance and use of food stamp benefits as outlined in Part I.C.
2. An explanation of the options available to the household and the advantages and disadvantages of each choice. This explanation must include the use of the utility standard or actual bills and the choice to have expenses averaged or counted only in the month billed.
3. An explanation of the household's rights.
4. An explanation that the agency may receive information through the Income and Eligibility Verification System (IEVS) or that the agency will access other computer systems. The agency will use and verify the information. Information that the agency receives may affect the household's eligibility and benefit level.

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5. A discussion of appropriate collection actions for households that owe outstanding payments on claims.

In all instances, the agency must respect the household's right to privacy; the EW must conduct the interview as a confidential discussion of household circumstances. The scope of the interview may not extend beyond the examination of household circumstances that directly relate to the determination of household eligibility.

If an EW does not conduct the interview on the day the applicant files an application, the agency must schedule an interview. For applications and reapplications, the local agency must schedule interviews as promptly as possible to ensure eligible households receive an opportunity to participate within seven days, if expedited, or within 30 days after the household files an application. The agency should schedule the interview no later than 20 days following the application filing date for households not entitled to expedited processing.

If the household fails to appear for the scheduled interview, the local agency must send the household the *Request for Verification* form on the day of the scheduled interview. The notice will advise the household that the household must reschedule the interview and that the agency will deny the application if the household does not reschedule the interview. The agency must deny the application on the 30th day after the application filing date if the household does not request another interview. If the household requests a second interview during the initial 30-day period, the agency must not deny the application. If the household is eligible for benefits, the agency must issue prorated benefits from the application date.

For agencies with walk-in systems for interviewing, the agency must assign a specific period for the applicant to appear for the interview if the applicant elects not to complete the interview on the day of the contact. The agency must schedule an interview even if the agency otherwise advises of the full range of interview hours available. As indicated above, the EW must send the *Request for Verification* form to advise the household of the missed interview if the household does not occur when initially scheduled. The agency must deny the application on the 30th day after the application filing date if the applicant misses the interview and does not reschedule the interview. (See Part IV.C.3. for interview time frames for the recertification process.)

The agency may request a certified household appear for an in-office interview during the certification period in order to clarify the household's circumstances. The agency may not require an interview however. See Part XIV.A.2. for a discussion of the agency's required actions on changes.

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E. WAIVER OF THE OFFICE INTERVIEW (7 CFR 273.2(e)(2))

The agency must advise applicants at initial contact with the agency that, under certain circumstances, the agency will waive the in-office interview and conduct a telephone interview or a prearranged home visit. The agency must waive the face-to-face interview on a case-by-case basis depending on individual household circumstances that include but are not limited to:

- a. illness;
- b. care of a household member;
- c. hardship due to residency in a rural area;
- d. prolonged severe weather;
- e. work or training hours during normal agency office hours;
- f. situations where residents of shelters for battered women and children would be endangered if they were to leave the shelter.
- g. transportation difficulties

In addition to the hardship conditions listed above, the agency may waive the office interview for households whose members are all elderly or disabled.

The local agency must determine if the reason for the request, e.g., transportation or other hardship, reported by a household, warrants a waiver of the office interview. The agency must document the case file if it grants or denies a request for a waiver.

The EW may waive the office interview at recertification, without regard to the special circumstances listed above, for households assigned certification periods of six months or less. A face-to-face interview must take place at least once every twelve months however unless the office interview waiver is appropriate.

Waiver of the face-to-face interview does not exempt the household from the verification requirements. The EW may allow the household to use special procedures, such as substituting a collateral contact for documentary verification if this would permit the household to provide verification in order to obtain its benefits in a timely manner.

Waiver of the face-to-face interview will not affect the length of the household's certification period.

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F. NORMAL PROCESSING STANDARD (7 CFR 273.2(g)(1); 274.1)

The filing date of an application is the day the appropriate food stamp office receives an application. The minimal information an application needs is the applicant's name, address, and a signature by either a responsible member of the household or the authorized representative of the household. The local agency must provide eligible households that complete the initial application process an opportunity to participate, as soon as possible, but not later than 30 calendar days following the application filing date.

The 30-day processing standard from the application date does not apply however for residents of public institutions who apply jointly for SSI and food stamps before their release from the institution. For these applicants, the agency must provide an opportunity to participate as soon as possible, but not later than 30 calendar days from the date of release of the applicant from the institution.

The processing standards for households entitled to expedited service are in Part V. **The processing standards for the recertification process are in Part IV.C.**

The agency must assist households who have difficulty in accessing their food stamp benefits such as households comprised of elderly or disabled members, homeless households or those without a fixed mailing address. For example, the agency must assist an elderly person who is housebound in finding an authorized representative who might access the household's benefit account and shop for groceries on behalf of the household.

The agency may not impose other programs' application procedures or processing standards on food stamp applicants.

1. Opportunity to Participate (7 CFR 273.2(g))

A household must receive the EBT card, the agency must authorize benefits and the vendor must post the authorized benefits to the account in order for the household to have an opportunity to participate timely. The agency must also factor in the receipt of the PIN, if the vendor mails the PIN, to determine if the household is able to participate timely.

Example

A household files an application on July 15. This means that if the household is eligible, the agency must give the household an opportunity to participate by August 14. In this case, August 14 falls on a Sunday. The EW must process the case by Wednesday, August 7 so that the household may receive the EBT card and PIN by Saturday, August 13. Additionally, the food stamp benefits must be posted to the EBT account.

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- 4 months • Households in which all members, subject to the Work Requirement, may receive benefits for three months only plus prorated benefits for the initial month of the certification period.
- 3 months • Households whose monthly expenses exceed their income may have a certification period of no more than three months except in instances when the use of the utility or telephone standard causes a household's expenses to exceed the income. If the agency assigns the longer period, the EW must document the case that the household is able to meet its expenses.
 - Households without any income may have a certification period of no more than three months.
 - Households that contain mandatory household members who are ineligible because of the Work Requirement must have a certification period of no more than three months.
 - Households that contain recently unemployed members must have a certification period of no more than three months.

The face-to-face interview must occur at least once every twelve months for all households except the households given a 24-month period. The agency may waive the in-office interview for households on a case-by-case basis.

B. NOTICE OF ELIGIBILITY, DENIAL OR PENDING STATUS (7 CFR 273.10(g)(1))

Each household must receive a written decision made on its application at initial application, recertification and reapplication. There are three types of action that the agency may take on an application:

1. the agency may find the household eligible for benefits;
2. the agency may find household ineligible; or
3. the agency cannot determine the household's eligibility within the required time frame and the case remains pending.

The agency must send the *Notice of Action* to inform the household of the disposition of its application, recertification or reapplication. The agency may use the *Notice of Action and Expiration* to inform the household of the approval of the application in the last month of certification. The forms and instructions are in Part XXIV. The agency must provide the Appeals and Fair Hearings pamphlet when it uses computer-generated *Notices of Action* for denied applications.

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C. RECERTIFICATION

Each household may apply for recertification before the expiration of the certification period in which it is currently participating.

The EW must base eligibility for recertification on circumstances anticipated for the month following the expiration of the current certification period. The same anticipated circumstances must be the basis for the level of benefits for the recertification period.

The local agency must complete the application process if the household meets all the requirements and finishes the necessary processing steps in a timely manner, as defined in this chapter, and approve or deny timely applications for recertification prior to the end of the household's current certification period. The agency must provide eligible households an opportunity to participate by **the first of** the month following the end of its current certification period.

A household may not receive benefits beyond the end of its certification period unless the household recertifies or unless the agency opts to extend the certification period to match a TANF or Medicaid review period. See Part IV.D. for information and limitations on lengthening certification periods.

The joint processing requirements of Part II.H.1. apply to recertification applications. **Expedited service processing provisions of Part V apply to recertification applications filed during the month after the previous certification period ends.**

The remainder of this chapter describes the processing requirements for recertification applications and the timeframes for each.

1. Notice of Expiration (7 CFR 273.14(b))

The local agency must advise the household that the certification period is about to expire and that a new application is necessary to establish further entitlement. The agency must send the *Notice of Expiration* form to notify households of the end of the certification period. See Part XXIV for the form and instructions.

Except as noted below, households must receive the *Notice of Expiration* no later than the last day of the next to the last month of the current certification period, but not earlier than the first day of the next to the last month of the current certification period. When the agency mails the *Notice of Expiration*, allow two days for delivery in addition to the postmark date. Regardless of when the agency assigns the interview date, the recertification application will be timely if the household files the application by the 15th calendar day of the last month of certification.

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If the household files its application for recertification in a timely manner, but due to its fault, is not interviewed in a timely manner, then the household will lose its right to uninterrupted benefits. The agency must take action on the application by the 30th day from the day the application was filed as long as the household has been given at least 10 days to provide needed verifications.

For households that file untimely recertification applications, the agency must schedule interviews to allow households sufficient time (at least 10 days) to provide necessary verifications by the 30-day processing standard.

4. Time Frames for Providing Verification at Recertification
(7 CFR 273.14(b)(4))

The household must provide any verifications necessary to process a timely recertification application within 10 calendar days of the agency's request or by the last day of the certification period, whichever is later. If the household does not provide verification timely, the household will lose its right to uninterrupted benefits.

The agency must approve or deny the application by the 30th day after the filing date as long as the household has had at least 10 days to provide the verification requested.

5. Agency Action on Timely Applications for Recertification
(7 CFR 273.14(d))

If a household filed a timely application for recertification, in accordance with Part IV.C.2., attended an interview, in accordance with Part IV.C.3. and provided all needed verifications within the time frames given in Part IV.C.4., the local agency must provide uninterrupted benefits to the household.

The time standards for providing uninterrupted benefits are as follows:

- a. A household certified in the last month of its certification period must get notification of the eligibility or ineligibility, and be provided an opportunity to participate no later than 30 calendar days after the date the household had an opportunity to obtain its last allotment.
- b. Any other household must have the *Notice of Action* to approve or deny the case mailed by the last day of the current certification period. An eligible household must have an opportunity to participate by **the first day of** the first month of the new certification period.

A household that files a timely application, appears for a timely interview, but the agency does not determine the household eligible in time to provide an opportunity to participate by the normal **processing period** because of the 10-day time frame for providing verification, must have an opportunity to participate, if eligible, within 5 working days after the household supplies the missing verification. **The agency may not prorate benefits if the household provides requested information within the 10-day period.**

A household that submits a timely application for recertification in accordance with Part IV.C.2., but the agency does not determine eligibility in enough time to provide for issuance **for uninterrupted benefits**, the agency must give the household an opportunity to participate the next working day after determining the household eligible. **The household must receive a full month's allotment for the first month of the new certification period.**

6. Household Failure to Act (7CFR 273.14(e))

A household that submits a timely application for recertification and meets all other required processing steps must have the right to receive uninterrupted benefits, as defined in Part IV.C.5. A household that fails to appear for an interview, however, in accordance with Part IV.C.3., or to submit any required verifications in accordance with Part IV.C.4., will lose its right to uninterrupted benefits, as long as the failures occur after the deadline for filing a timely application as required in Part IV.C.2.

a. Failure to File a Timely Application

A household that fails to file a timely application for recertification, **but who files an application during the last month of certification**, must have an opportunity to participate within 30 calendar days after the application filing date, if eligible. The local agency must determine a household's eligibility and allow at least 10 days for the household to provide needed verification.

The local agency must assess a household's entitlement to expedited service processing whenever a household files an application for recertification during the month after the certification period expires. If the household is eligible for benefits, the local agency must provide an opportunity to participate within seven calendar days of the application filing date. If the household is not entitled to expedited processing, the agency must determine eligibility and provide benefits within 30 calendar days.

b. Failure to Attend an Interview

A household that submits a timely recertification application but who is not interviewed timely has no entitlement to uninterrupted benefits. The local agency must, at a minimum, provide an eligible household with an opportunity to participate within 30 calendar days after the application filing date. **The local agency must send the Request for Verification form if the household misses the scheduled interview.**

Example

A household files a timely recertification application on January 14. The household misses its scheduled interview set for the 14th **so the EW sends the Request for Verification form. The household** asks for and attends an interview on February 2. The agency must act on the application by February 13, as long as the household has had at least 10 days to provide necessary verifications.

c. Failure to Provide Verification

If a household submits a timely recertification application but submits required verifications untimely, the agency must provide an opportunity to participate by the 30th day after the application filing date. Untimely means that the household did not provide the information within 10 days of the request date or by the last day of the certification period, whichever is later.

Example

A household files a timely application for recertification on the 12th of the month and attends its interview the same day. The household provides all needed verifications by the 25th. The agency must provide uninterrupted benefits to the household since the household met all the timeliness standards.

If the household does not provide needed verifications until the second of the following month, the agency must act by the 12th of the following month (30 days after the application filing date).

7. Early Filing of Recertifications

If a household files an application for recertification more than two calendar months before the end of the current certification period, the agency must deny the application as a duplicate application on file. If the household files the application so that the 30th day following the filing is before the end of the current certification period, the agency must extend the processing time for the case from 30 days to the end of the current certification period.

8. Mandatory Review of Eligibility for 24-Month Certification Periods

A review of eligibility for households certified for 24 months must occur during the certification period. The agency must conduct a review of the household's eligibility during the eleventh month of certification. The agency must use the *Review of 24-Month Certification Period* form to complete the review. The agency may complete the review by telephone, in person, or by mail.

If the agency or the household does not complete the review before the end of the eleventh month, the agency must send the *Request for Verification* form to request completion of the 24-month review form and the submission of needed verifications. If the household does not respond within ten days, the EW must send an adverse action notice to close the case effective at the end of the twelfth month.

D. CHANGING THE LENGTH OF THE CERTIFICATION PERIOD

1. Shortening Certification Periods

Once the agency determines a household eligible for benefits, the agency must establish the number of months the household may receive benefits before the household must file another application and have the eligibility process begin again. A certification may range from one month to 24 months in length. Once the agency establishes the certification period, the agency may not shorten the period with the Notice of Expiration to initiate the recertification period.

If the agency determines that the household is not eligible for benefits because of changed circumstances, the agency must send an adverse action notice (*Notice of Action* or *Advance Notice of Proposed Action*) to close the case. If the agency is unable to determine the household's eligibility because of suspected changes in the household's circumstances, the agency must send the household the *Request for Verification* to request information from the household. The household will have ten days to respond to the agency request for contact and submission of information. The agency must send an

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A. ENTITLEMENT TO EXPEDITED SERVICE (7 CFR 273.2(i)(1))

The following households are entitled to expedited services:

1. Households with less than \$150 in monthly gross income, provided their liquid resources (e.g. cash on hand, checking and savings accounts, savings certificates, and lump sum payments as described in Part IX.C.) do not exceed \$100;
2. Migrant or seasonal farmworker households who are destitute, as defined in Part V.F., provided their liquid resources do not exceed \$100;
3. Households whose combined monthly gross income and liquid resources are less than the household's incurred monthly rent or mortgage, and utilities, regardless of how or if the household pays the expenses. If the household indicates it incurs separate heating or cooling costs or that it receives Low Income Home Energy Assistance Program benefits, the agency may use the utility standard, unless the household chooses to use actual costs.

Exempted resources and excluded income are not considered in making the expedited determination. The penalty PA income for noncompliance and income that has been averaged, such as self-employment, contract, etc., must be counted however.

Expedited services processing will apply at initial application, reapplication **or for households that file recertification applications during the month after the certification period expires.**

B. IDENTIFYING HOUSEHOLDS NEEDING EXPEDITED SERVICE

The local agency must design its application procedures to identify households eligible for expedited service once the household files an application. The agency must designate personnel to be responsible for screening applicants as they contact the agency to request assistance or to be responsible for reviewing applications for entitlement if the applicant is not in the agency to allow the screening. If the applicant is not in the agency and the applicant failed to complete the application sufficiently for the agency to screen successfully, the agency must attempt to contact the household by telephone, if a number is on the application.

If the local agency discovers that a household is entitled to expedited service after the initial screening failed to identify entitlement, the local agency must provide expedited service to the household within the processing standards described in Part V.C.

The local agency may use the Expedited Service Checklist in Part XXIV, Forms, to carry out the screening function.

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C. PROCESSING STANDARDS (7 CFR 273.2(i)(3)(i))

For households entitled to expedited service, except those households entitled to a waiver of the office interview, the local agency must make food stamp benefits available to the household no later than seven calendar days after the application filing date. For residents of public institutions who apply for SSI and food stamp benefits before release from the institution, the food stamp application filing date is the date the applicant is released from the institution. Eligible households that apply after the 15th day of the month must also receive benefits for the month following the month of application by the seventh day.

If the agency discovers that a household is entitled to expedited service at any time during the seven-day period after the application date, the agency must provide the benefits by the seventh day of the application. If the agency makes the expedited entitlement discovery after the seventh day of the application date, the agency must provide benefits within seven calendar days of the discovery date.

Eligible households that provide all information needed to process the expedited application within seven calendar days following the date of application are entitled to receive benefits within seven calendar days following the date of application. If the household provides the information after the seventh day following the date of application, the agency has seven calendar days to process the application, beginning with the date the household provides the information. If the household does not provide requested information by the 30th day, the agency must send the household a notice to extend the processing of the case for an additional 30 days. The agency must inform the household of the normal verification standards that the household must now meet in order to determine eligibility. Procedures for verifying information used to determine eligibility are in Part V.D.

Out-of-Office Interviews (7 CFR 273.2(i)(3)(iii))

If a household is entitled to expedited service and is also entitled to a waiver of the office interview under the provisions in Part II.D., the local agency must conduct the interview (unless the household cannot be reached) and complete the application process within the expedited service standards.

The first day of the processing standard count is the calendar day following the application filing. If the local agency conducts a telephone interview and must mail the application to the household for signature, the expedited standards will not include any mailing time involved. Mailing time will only include the days the application is in the mail to and from the household and the days the application is in the household's possession pending signature and mailing.

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Example

A household qualifying for an out-of-office interview mails an application reporting no income and no resources. The local agency receives the application on Thursday, December 2. The local agency conducts a telephone interview on Monday, December 6, completes the remainder of the application, and verifies the identity of the household through a collateral contact. That same day, EW mails the application back to the client to be signed again. The agency receives the resigned application on Monday, December 13. The agency must provide the household **with its EBT card and have benefits posted** by Friday, December 17. The period Monday, December 6 through Monday, December 13, inclusive, is considered mailing time and does not count in determining the expedited processing standard.

D. VERIFICATION PROCEDURES FOR EXPEDITED SERVICE (7 CFR 273.2(i)(4)(i); 273.2(i)(4)(ii))

To expedite the certification process, the local agency must postpone all verifications required by Part III.A., except the identity of the applicant, if the agency is unable to obtain the verifications within the allowable processing time. The agency may verify the identity of the applicant through a collateral contact or readily available documentary evidence. In addition, if the agency is unable to conduct the certification interview within the processing time and an eligibility determination and allotment calculation can be made based on the application or screening process, the agency must postpone the interview.

The agency must make all reasonable efforts to verify the household's residence, income and liquid assets statement (including a statement that the household has no income) and all other mandatory verifications within the expedited processing standards, through collateral contacts or readily available documentary evidence before certification. The agency may not delay benefits beyond the expedited processing standards, however, solely because these eligibility factors have not been verified.

The local agency should attempt to obtain as much additional verification as possible, but should not delay the certification of households entitled to expedited service for the full expedited processing period when the local agency has determined that it is unlikely that other verification can be obtained within this period.

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The applicant must register for employment in accordance with Part VIII.A., unless exempt or unless an authorized representative applies on the household's behalf. The local agency may attempt to register other household members but must postpone the registration of other household members if it cannot be accomplished within the expedited processing period.

Once the household has supplied the name of an acceptable collateral contact or has asked the local agency for assistance in locating such a contact, the agency shall promptly contact the collateral contact or otherwise assist the household in obtaining the necessary verification. If the household is unable to provide documentary evidence or the name of a collateral contact, the EW must assist the household in obtaining suitable verification.

Households entitled to expedited service must furnish a social security number for each person or apply for one for each person by the postponed verification deadline. Household members who are unable to provide the required social security number or who do not have one prior to the verification deadline may continue to participate only if they satisfy the good cause requirements with respect to social security number policy specified in Part VII.G.4.

Once the applicant verifies identity and the applicant registers for work, if appropriate, the agency must not delay benefits beyond the delivery standard defined in Part V.C.

E. CERTIFICATION PROCEDURES FOR EXPEDITED SERVICE (7 CFR 273.2(i)(4)
(iii)

Households that are certified on an expedited basis and that have provided all necessary verifications as required must have a normal certification period. The length of the certification period and benefit delivery date is determined by the application date.

1. If verification was postponed, and the application was filed on the 1st through the 15th of the month, the local agency may certify the household for the month of application only; or assign a normal certification period to those households whose circumstances would otherwise warrant a longer certification period. In either case, however, benefits may not continue past the month of application if verification continues to be postponed, even if the household is not entitled to an allotment for the month of application because benefits prorated to less than \$10.

If certified only for the month of application, the local agency must send the *Notice of Expiration* in accordance with the provisions of

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Part IV.C. The household must reapply and complete the verification requirements that were postponed. If a certification period of longer than one month is assigned, the local agency must notify the household in writing that no further benefits will be issued until the postponed verification is completed. The notice must also include information that the household must provide the postponed verification by the 30th day following the date of application or the household's case will be closed.

Additionally, the notice must advise the household that if verification results in changes in the household's eligibility or level of benefits, the local agency shall act on those changes without an advance notice.

In instances when the household is not entitled to an allotment for the month of application, a determination of ineligibility must be made and the denial notice sent within seven days of the application date. If an eligibility determination can be made for the month following the month of application, that determination must also be made within seven days. If eligible, benefits for the month following the month of application must be issued by the normal issuance cycle however; verifications must be obtained before benefits may be issued.

2. The agency must certify a household that applies on or after the 16th day of the month for at least the month of application and the next month or assigned a longer certification period, if circumstances warrant it. The agency must issue prorated benefits to the household for the month of application and the second month's full benefit within the expedited processing time if the household is eligible to receive benefits. The household must receive benefits for the second month at the time of certification regardless of whether verifications have been postponed.

The household must submit postponed verifications no later than the last day of the month following the month of application. The agency must notify the household in writing that the case will be closed if the household does not complete postponed verification by the end of the second month. The household must receive benefits for the third month **by the first day of the month**, or by the seventh working day, whichever is greater.

In instances when the household is not entitled to benefits for the month of application, the household must receive benefits for the month following the month of application, if eligible, within seven days of the application date.

3. There is no limit to the number of times a household can be certified under expedited procedures, as long as, prior to each expedited

certification, the household either completes the verification requirements that were postponed at the last expedited certification; or, was certified under normal processing standards since the last expedited certification.

A household must reapply if the agency closes the case because of the household's failure to provide postponed verifications within the 30 days allowed. If the agency is aware that this is a second expedited application, the household will have seven days following the application date to provide the postponed verifications from the prior application regardless of how long it has been since the prior application. If the household does not provide verifications within the seven days, then the agency must process the reapplication under normal processing guidelines.

The second application must have the same case name as the first expedited application for which the verifications were postponed. If the second application is filed in another locality, then the household may provide the postponed verification to either locality.

A household that requests, but is not entitled to, expedited service, must have the application processed according to normal standards.

F. DESTITUTE MIGRANT OR SEASONAL FARMWORKER HOUSEHOLDS (7 CFR 273.10(e)(3))

Migrant or seasonal farmworker households may have little or no income at the time of application and may be in need of immediate food assistance, even though they receive income at some other time during the month of application. The local agency must use the following procedures to determine when households in these circumstances may be considered destitute and, therefore, entitled to expedited service and special income calculation procedures:

1. Households will be considered destitute and must be provided expedited service when the only income for the month of application was:
 - a. received prior to the date of application; and,
 - b. was from a terminated source.

For migrant workers, the grower, corporation or company is considered the source of income. The crew leader is not considered the source of income. A migrant who moves from one grower, corporation or company is considered to have moved from a terminated income source to a new source. A change of crops, unless it involves a change in growers, is not considered a new source of income.

Roomers, live-in attendants and individuals who share living quarters may participate as separate households if otherwise eligible. Ineligible students, boarders, and individuals in foster care cannot participate as separate households.

Nonhousehold member status will not be granted to roomers, boarders, live-in attendants, or other individuals who meet the relationship criteria of Part VI.A.1. of this manual, merely because of their roomer, boarder, or live-in attendant status.

2. The following individuals residing with the household will be excluded from the household when determining the household's size for the purposes of assigning a benefit level to the household or of comparing the household's monthly income with the income eligibility standards. The income and resources of these excluded members, however, will be considered available to the remaining household members in accordance with Part XII.E. These persons may not participate in the Food Stamp Program as separate households.
 - a. Ineligible Aliens: Individuals who do not meet the citizenship requirement or hold eligible alien status (Part VII).
 - b. SSN Disqualified: Individuals disqualified for failure to provide a Social Security Number (Part VII).
 - c. Fraud Disqualified: Individuals found guilty of committing an intentional program violation against the Food Stamp Program by a court of law or an Administrative Disqualification Hearing (ADH), or individuals who signed waivers to an ADH (Part XVII).
 - d. Any individual disqualified for noncompliance with the Workfare provisions of Part XXII.A.
 - e. Individuals disqualified for noncompliance with employment program requirements (Part VIII).
 - f. Individuals who are fleeing prosecution of felony offenses or imprisonment for felony convictions, or persons who are violating conditions of probation or parole. **Individuals must have knowledge of an outstanding warrant in order to consider them "fleeing." Individuals must have an opportunity to document that they have satisfied the warrant.**
 - g. Individuals convicted in federal or state court of felony offenses that occurred after August 22, 1996, related to the possession, use, or distribution of a controlled substance.
 - h. Individuals who receive benefits for a three-month period and who subsequently fail to regain eligibility under the Work Requirement (Part XV).

D. HEAD OF HOUSEHOLD (7 CFR 273.1(d))

The head of the household is designated when applications are filed, whether at initial application, reapplication or recertification. The designation of the head will be made either by the household or by the local agency. Under certain circumstances as described in Part VI.D.3., the head will be defined as the principal wage earner. Whether designated by the household or by the agency, the head must be identified in the case file at the time of certification or household change.

Other than sanctions for violations described in Part VI.D.3., no special requirements are to be imposed on the household or its head. The agency may not, for example, require that the head appear at the certification office to apply for benefits rather than another responsible household member.

1. Household Designation

Whenever an application is filed, the household may identify on the application a household member to be the head. Households with parent-child combinations may also designate the head whenever there is a change to the household's composition. The person selected as the head must be included on the Notice of Action at the time of certification or household composition change.

The household may select as head a household member who is an adult parent of children living in the household, an adult who has parental control of a minor child living in the household, or any other adult member. For an adult parent to be selected, there must be at least one natural, step-, or adopted child of any age in the food stamp household unit with an adult parent. For an adult with parental control to be selected, there must be at least one child under 18 years of age who is supervised or otherwise dependent on an adult living in the food stamp household.

2. Agency Designation

If households fail to designate the head by the 30th day for new applications or reapplications or by the verification deadline for recertification applications, the local agency shall determine the head. The agency must also designate the head if the household's adult members do not agree with the selection made by the applicant.

The designation by the agency will remain in effect through the certification period or until the head leaves the household.

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Establishing Quarters

The term "quarter" means the 3-calendar-month periods ending with March 31, June 30, September 30 and December 31 of any year.

Social Security credits (formerly called "quarters of coverage") are earned by working at a job or as a self-employed individual. A maximum of 4 credits can be earned each year.

For 1978 and later, credits are based solely on the total yearly amount of earnings. All types of earnings follow this rule. The amount of earnings needed to earn a credit increases and is different for each year. The amount of earnings needed for each credit and the amount needed for a year in order to receive four credits are listed below.

Year	Quarter Minimum	Annual Minimum	Year	Quarter Minimum	Annual Minimum
1978	\$250	\$1000	1990	\$520	\$2080
1979	\$260	\$1040	1991	\$540	\$2160
1980	\$290	\$1160	1992	\$570	\$2280
1981	\$310	\$1240	1993	\$590	\$2360
1982	\$340	\$1360	1994	\$620	\$2480
1983	\$370	\$1480	1995	\$630	\$2520
1984	\$390	\$1560	1996	\$640	\$2560
1985	\$410	\$1640	1997	\$670	\$2680
1986	\$440	\$1760	1998	\$700	\$2800
1987	\$460	\$1840	1999	\$740	\$2960
1988	\$470	\$1880	2000	\$780	\$3120
1989	\$500	\$2000	2001	\$830	\$3320
			2002	\$870	\$3480

A current year quarter may be included in the 40 quarter computation. Use the current year amount as the divisor to determine the number of quarters available.

If you need to use quarters before 1978:

- X A credit was earned for each calendar quarter in which an individual was paid \$50 or more in wages (including agricultural wages for 1951-1955);
- X Four credits were earned for each taxable year in which an individual's net earning from self-employment were \$400 or more; and/or
- X A credit was earned for each \$100 (limited to a total of 4) of agricultural wages paid during the year for years 1955 through 1977.

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Social Security Administration

Consent for Release of Information

TO: Social Security Administration

Name Date of Birth Social Security Number

I authorize the Social Security Administration to release information or records
about me to:

NAME ADDRESS

I want this information released because:

(There may be a charge for releasing information.)

Please release the following information:

___ Social Security Number
___ Identifying information (includes date and place of birth, parents' names)
___ Monthly Social Security benefit amount
___ Monthly Supplemental Security Income payment amount
___ Information about benefits/payments I received from _____ to _____
___ Information about my Medicare claim/coverage from _____ to _____
specify) _____
___ Medical records
___ Record(s) from my file (specify) _____

___ Other (specify) _____

I am the individual to whom the information/record applies or that person's parent (if a minor)
or legal guardian. I know that if I make any representation which I know is false to obtain
information from Social Security records, I could be punished by a fine or imprisonment or
both.

Signature: _____

(Show signatures, names, and addresses of two people if signed by mark.)

Date: _____ Relationship: _____

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Agencies Corresponding to INS, 4420 North Fairfax Dr., Arlington, VA 22203:

Albemarle	Fairfax	Orange
Alexandria	Fauquier	Page
Alleghany/Covington/ Clifton Forge	Floyd	Patrick
Amherst	Fluvanna	Pittsylvania
Appomattox	Franklin County	Prince William
Arlington	Frederick	Pulaski
Bath	Galax	Radford
Bedford	Giles	Rappahannock
Bland	Grayson	Roanoke City
Botetourt	Greene	Roanoke County
Bristol	Halifax	Rockbridge Area
Buchanan	Harrisonburg/Rockingham	Russell
Buckingham	Henry/Martinsville	Scott
Campbell	Highland	Shenandoah
Carroll	King George	Smyth
Charlotte	Lee	Stafford
Charlottesville	Loudoun	Staunton/Augusta
Clarke	Lynchburg	Tazewell
Craig	Madison	Warren
Culpeper	Manassas	Washington
Cumberland	Manassas Park	Waynesboro
Danville	Montgomery	Winchester
Dickenson	Nelson	Wise
	Norton	Wythe

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Agencies Corresponding to INS, Norfolk Commerce Park, 5280 Henneman Drive,
Norfolk, VA 23513.

Accomack	Hopewell	Petersburg
Amelia	Isle of Wight	Portsmouth
Brunswick	James City	Powhatan
Caroline	King and Queen	Prince Edward
Charles City	King William	Prince George
Chesapeake	Lancaster	Richmond City
Chesterfield/Colonial Heights	Louisa	Richmond County
Dinwiddie	Lunenburg	Southampton
Essex	Mathews	Spotsylvania
Franklin City	Mecklenburg	Suffolk
Fredericksburg	Middlesex	Surry
Gloucester	New Kent	Sussex
Goochland	Newport News	Virginia Beach
Greensville/Emporia	Norfolk	Westmoreland
Hampton	Northampton	Williamsburg
Hanover	Northumberland	York/Poquoson
Henrico	Nottoway	

For one-person KEOGH plans all the funds in the plan minus the early withdrawal penalty count in determining the household's resource level.

KEOGH plans involving more than one person, however, will normally be excluded as resources, because they involve the "contractual relationship with other individuals" as stated in Part IX.C.1.f. However, if the KEOGH plan is such that individual participants may make withdrawals without affecting the other parties in any way, i.e., without any contractual obligation to other participants, then the household member's funds in the KEOGH will count as a resource. Also if all parties in this type of KEOGH plan are members of the same household, e.g., the husband and wife, then the KEOGH will count as a resource.

D. VEHICLES (7 CFR 273.8(h))

There are four distinct categories for evaluating a household's vehicles to determine the resource value assigned to the household.

The agency must evaluate each vehicle for the fair market value and/or equity value depending on how the household uses the vehicle except for vehicles whose values do not count. In evaluating how a household uses its vehicles, the agency must include household members and disqualified persons who are not in the food stamp unit but their resources count to the household. See Part XII.E. for a discussion of the resources of disqualified members and Part III.E.2. for the determining the fair market value of vehicles.

In the discussion of vehicles, the term "licensed" means a vehicle whose registration is current.

Motorized recreational vehicles such as dune buggies, mopeds, go-carts and all-terrain vehicles are evaluated under the vehicle policy. Boats are also included under the vehicle policy.

The four categories used to evaluate vehicles are:

1. The entire value of a licensed vehicle is exempt if the vehicle is:
 - a. used for income producing purposes. This includes vehicles used directly or indirectly to produce income or vehicles required as a condition of employment.

Vehicles, previously used in farming, will retain the exemption for one year after a former self-employed farmer ends the farming enterprise.

- b. annually producing income consistent with its fair market value (approximately 10% of fair market value) or consistent with the prevailing market trends in a particular area (if earning less than 10% of its fair market value), even if it is used only on a seasonal basis;
- c. necessary for long distance travel, other than daily commuting, that is essential to the employment of a household member or ineligible alien or disqualified person whose resources are being considered available to the household. For example, the vehicle of a traveling sales person or of a migrant farmworker following the work stream is exempt;
- d. used as the household's home and excluded under Part IX.E.1;
- e. necessary to transport a physically disabled member or ineligible alien or disqualified person whose resources are being considered available to the household, regardless of the purpose of the transportation. Only one vehicle per physically disabled household member will count toward this exclusion.

For purposes of this exclusion, the definition of a disabled person is not restricted to the one in Definitions. The definition of a disabled person may include, but is not limited to, persons temporarily disabled, those receiving disability benefits from an organization or program other than those outlined in Definitions (such as GR or an insurance company), or those substantiating a disability by a medical statement.

The household is not required to report if the disabled household member loses the disability during the certification period. The household must report the acquisition of a vehicle that is not fully exempt under this section.

- f. used to carry fuel for heating or water for home use when the transported water or fuel is expected to be the primary source of such for the household during the certification period.
- g. an inaccessible vehicle because its sale or disposition is likely to yield a return of no more than \$1500. See Part IX.E.20.

Vehicles used only for transporting household members to and from work do not qualify as income producing vehicles. The vehicle must actually generate income, e.g., a taxi, truck, or fishing boat. Temporary periods of unemployment will not affect the exempt status of the vehicle such as when a taxi driver is ill and cannot work, or when a fishing boat is inoperable due to ice.

2. The fair market value of licensed vehicles that exceeds \$4,650 count in full toward the household's resource level. The agency must evaluate the fair market value against the \$4,650 level, regardless of any encumbrances on the vehicle, for the following vehicles:
 - a. One vehicle for each adult household member, including disqualified members;
 - b. One vehicle driven by a household member under 18 years of age, including disqualified members under 18 years of age for transportation to and from training or education preparatory to employment or to and from employment.

Temporary periods of unemployment will not cause a vehicle to move from this category.

The agency must assess each vehicle individually; therefore, the agency must not add the fair market values of two or more vehicles together.

Examples

1. A household with two adults owns a nonexempt automobile with a fair market value of **\$5,650**. **\$1,000** will count toward the resource level, regardless of the amount of the household's investment in the vehicle. If this household acquired a second vehicle with a fair market value of \$5,800, \$1,150 would count as a resource. The agency must add the \$1,150 to the **\$1,000** resource value of the first vehicle. The household is ineligible unless **the household is allowed a resource level of \$3,000**.
2. A household with two adults has two vehicles with fair market values of \$4,500 and \$4,200. The agency must not count any resource value for the vehicles since each vehicle has a value under \$4,650. The agency must not add the fair market values of two or more vehicles together.

3. Licensed vehicles that are not totally exempt, Category 1, and for which the provisions of Category 2 do not apply, must have an evaluation of the fair market value over \$4,650 and the equity value (fair market value minus encumbrances). The greater of the two amounts will count as a resource.

Example

A one-person household owns one vehicle that the agency evaluated the fair market value under Category 2. The household purchases a second vehicle that is not totally exempt, Category 1. The agency must evaluate the new vehicle using both the fair market value and the equity value. If the vehicle has a fair market value of \$5,000, the countable value is \$350 (\$5,000 - \$4,650). If the equity value is **\$1,600**, then only the **\$1,600** equity value is countable because it is the greater of the two amounts. The \$350 excess fair market value will not count.

4. The equity value of all unlicensed vehicles will count toward the household's resource level unless the vehicle is exempted under Part IX.E.9. and 10. or **unless the vehicle is an inaccessible vehicle because its sale or disposition is likely to yield a return of no more than \$1500. See Part IX.E.20.**

allowable. Costs incurred by a tenant in lieu of full or partial rent are allowable rental costs, provided the arrangement is with the mutual agreement of the landlord.

- b. Real estate taxes or personal property taxes on mobile homes are allowable. Taxes on the contents are not allowable.
- c. Insurance premiums on the home structure are allowable. Separate costs for insuring furniture or personal belongings, are not allowable. If insurance premiums on the home structure are combined with other costs that cannot be separated, the total premium is allowable.
- d. Repair costs that result from a fire or flood or a similar disaster are allowable provided the household will not receive reimbursement or assistance from some other source such as insurance, or private or public relief agencies. The disaster does not have to be a presidential declaration but can be personal, such as a fire damaging only one home.
- e. Utilities incurred separately and apart from the rent or mortgage cost are allowable. Actual direct utility costs may be used in determining shelter costs, even if the Virginia Energy Assistance Program covers the costs by a vendor payment.

In some situations the household may be entitled to use the utility standard as its utility expense, rather than its actual utility expenses.

A standard utility allowance has been established based on the number of persons in the residence. The standard includes an allowance for heat, electricity, gas, water, sewerage, **septic tank maintenance fees**, garbage collection and telephone. A household may use the standard utility allowance only if the household is responsible for a heating or cooling expense, or it receives Low Income Home Energy Assistance Program benefits.

<u>Number of Persons</u>	<u>Utility Standards</u>
1 - 3	\$202
4 or more	\$252

Multiple family units living in the same residence may have only one standard utility allowance for the residence, based on the total number of people in the residence. The agency must divide the one utility standard among the units that contribute to meeting heating or cooling costs, whether or not each unit participates in the Food Stamp Program. In these instances, each unit may use only its prorated share of the standard allowance, unless it uses its actual costs. **The agency may not prorate the standard allowance if the nonhousehold members are**

all excluded from the household because they are ineligible to participate in the Food Stamp Program.

Example

A three-person food stamp unit lives in a house with another person. The food stamp unit and the other person each pay half of the heating costs. The food stamp unit's standard utility allowance is \$126, i.e. \$252 (based on total number of persons in the home being 4 or more) divided by 2 (the number of units contributing to heating costs). The food stamp unit may opt to use \$126 as its utility costs, or may use its actual utility expenses.

Only those households that receive Low Income Home Energy Assistance payments or that are responsible for an identifiable heating or cooling expense or an established percentage of an identifiable expense have the option of the utility standard. A cooling cost is a verifiable utility expense relating to the operation of air conditioning systems or room air conditioners. A heating cost is a verifiable utility expense for a primary fuel source.

Examples

- 1) The food stamp client pays for electricity that the household needs to operate the oil furnace. Other persons in the home buy oil. The food stamp client is not entitled to the standard since he has no expense for the primary fuel source. The actual electric bill is allowable since this is a direct utility expense.
- 2) A food stamp client cuts his own wood. This wood is free, but he incurs expenses of gas and oil for his chain saw. The household may not use the standard since the household does not incur an expense for the primary fuel source. The actual incidental expenses connected with obtaining the wood are not allowable since these are not direct utility expenses.

If a household incurs a utility expense such as electricity or gas that includes heating or cooling along with other uses, e.g., cooking or light, the utility standard may still be used. If the household does not incur a separate expense for heating or cooling, it is not entitled to the utility standard unless it receives Low Income Home Energy Assistance payments. Actual costs of utilities incurred by households not entitled to the utility standard are an allowable expense.

Households that have their utilities included in their rent, but who may, on occasion, have to pay an excess utility charge are not be allowed the use of the utility standard unless they receive Low Income Home Energy Assistance Payments. **Households that receive HUD or FmHA payments may use the utility standard if they are responsible for utility costs beyond the HUD or FmHA payment.** Households that pay a flat amount, not a percentage, for utilities to the homeowner instead of the utility vendor may not use the utility allowance. Actual or anticipated amounts for these utility charges are allowable.

If a household incurs a heating or cooling expense at any point during the year, or if such an expense is anticipated, or the household received a Low Income Home Energy Assistance payment during the period of time covered by the utility standard, or such a payment is anticipated, the utility standard may be used by the household for the full year.

Examples

- 1) A household buys oil twice a year in November and February to heat their home. This household is entitled to use the utility standard for the full twelve months of the year.
- 2) A household lives in an apartment where heat is included in the rent. The household, however, uses an air conditioner in the summer and is responsible for the electric bill for the apartment. Since a cooling expense is incurred, the household is entitled to use the utility standard for the full twelve months of the year.

Each household must receive a thorough explanation of the options available in considering utility expenses. The agency must inform the household that the use of actual utility costs could result in a shorter certification period, and that the use of actual utility expenses that exceed the standard could result in a larger deduction. The household may switch between use of the standard and actual costs only at the time of certification. If the household moves while certified, the household may switch from one to the other. If the household initially chose to use actual utility costs but the utility standard was allowed because the household failed to verify the costs timely, the use of actual costs upon receipt of verification will not be allowed until recertification.

- f. The utility standard includes the basic service fee for a telephone so a household that uses the utility standard may not also claim a separate telephone expense. For a household that

uses actual utility expenses and who incurs an expense for a basic telephone service, or an established percentage of such an expense, the household must use a telephone standard of \$37, or the appropriate percentage of the standard.

The agency must divide the telephone standard among households sharing the expense. A telephone expense is allowable even if the household is not entitled to any other utility allowance.

Example

Two food stamp units live together and each pays half of the telephone bill. The bill includes charges for basic service. Each household will receive half the telephone standard as its telephone expense.

- g. Initial installation fees charged by a telephone, utility, **or septic tank** company are allowed as an expense, over and above the cost of the actual utility. Initial installation fees are allowable even if the utility or phone standards are used. The household may choose to have the installation bill averaged over the months in the certification period or to have the bill assigned to the month received or due. If a payment or budget plan has been established, the expense may be allowed for each month in the payment plan.
- h. One-time deposits for utilities, telephones, apartments, etc., will not count as shelter costs.
- i. Shelter expenses, as described above, include the costs for a home (owned or rented) that is temporarily unoccupied provided the household intends to return to the home. The home may be unoccupied because of employment, training, illness, or a natural disaster or loss. If the household has shelter expenses for both an occupied and unoccupied home, the household is entitled to only one utility or telephone standard.

The cost of shelter cannot be claimed if the vacated home is rented to someone else or if a rent-free occupant is claiming the cost of shelter for the home in question for food stamp purposes.

- j. Verification requirements for shelter expenses are covered in Parts III.A. and E. Receipts or statements from the provider are sources of acceptable verification. For homes that are temporarily unoccupied, the local agency is not required to assist in obtaining verification of expenses if the verification would have to be obtained from a source outside the locality.

- d. Households with newly formed enterprises that have been in existence less than a year shall have their self-employment income averaged over the amount of time the business has been in operation, and the monthly amount projected for the coming year. If the business has been in operation for such a short time that there is insufficient information to make a reasonable projection, a certification period should be assigned which allows for a timely review of the household's circumstances.

If a household farming for the first year has not yet received its first income, or an established farming household has not yet realized a change in income due to a change in the amount or type of crops raised, the EW should not anticipate the amount of the expected income from the new crop when determining the household's income.

3. Determining Monthly Income from Self-Employment (7CFR 273.11(a)(2))

- a. For the period of time over which self-employment income is determined, the EW must:
 - 1) Add all gross self-employment income, including capital gains, for the period of time over which income is determined.
 - 2) Subtract the cost of producing the self-employment income (See Part XII.A.5.)
 - 3) Divide the remaining self-employment income by the number of months over which the income will be averaged.
- b. When self-employment income is not averaged but is calculated on an anticipated basis, the EW must:
 - 1) Determine any capital gains the household anticipates **receiving during the period over which the income is averaged which is likely to be the certification period.**
 - 2) Divide the amount by 12 (use this amount in successive certification periods during the next 12 months unless the anticipated amount of capital gains changes. If this should occur, a new average monthly amount must be calculated.)
 - 3) Add anticipated monthly amount of capital gains to anticipated monthly self-employment income.

- 4) Subtract the cost of producing the self-employment income. The cost of producing the self-employment income shall be calculated by anticipating the monthly allowable costs of producing the income.

If obtaining verification of the cost of doing business will delay the household's certification, the local agency must advise the household that the household's eligibility and benefit level may be determined without providing a deduction for these costs. If these costs or a portion of them cannot be verified within 30 days of the date of application, the local agency must determine the household's eligibility and benefit level without providing a deduction for the unverified portion. The household must be given at least 10 days to provide the verification. For initial applications and reapplications, if the household would be ineligible unless these unverified costs are allowed, the household will have an additional 30 days to take the required action. Action must be taken on recertification applications in accordance with the verification time frames described in Part IV.C.4.

One or more payments to farmers from the Disaster Assistance Act of 1988 (P.L. 100-387) must be counted as earned income. These payments, made to farmers who are adversely affected by a drought, are given for crop losses or to buy feed grain. This income is considered a replacement for income lost as a result of a drought, and for self-employed farmers, the income must be processed in accordance with normal annualizing procedures for self-employment income. Since the payment is counted as income, it is excluded as a resource. (PIRS 89-4).

4. Capital Gains (7 CFR 273.11(a)(3))

The proceeds from the sale of capital goods or equipment are calculated in the same manner as a capital gain for federal income tax purposes. Even if only 50% of the proceeds from the sale of capital goods is taxed, the EW must count the full amount of the capital gain as income for food stamp purposes.

Example

Farmer A purchased a tractor for \$3,000. Over a period of 10 years, he claimed \$3,000 in depreciation on the tractor. After 10 years, he sold the tractor for \$1,000. For income tax purposes, the transaction appears as follows:

Purchase price	\$3,000
Depreciation claim	<u>3,000</u>
Purchase base	0

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Sale price	\$1,000
Reported as gross	<u>x 50%</u>
Taxable income	\$ 500

For Food Stamp purposes the entire proceeds, or \$1,000, would be included as gross income.

5. Allowable Costs of Producing Self-Employment Income (7 CFR 271.11(a)(4))

Allowable costs of producing self-employment income includes, but not limited to, the following:

- a. the identifiable costs of labor, stock, raw material, seed and fertilizer.
- b. **payments on the principal of the purchase price of income producing real estate and capital assets, equipment, machinery and other durable goods or on the principal for improvements to real estate.**
- c. interest paid to purchase income producing property, capital assets, equipment, machinery, and other durable goods.
- d. insurance premiums paid on income producing property.
- e. taxes paid on income producing property.
- f. costs of repairs to property needed for general maintenance.
- g. identifiable shelter costs needed for the business enterprise.

For households whose mortgage payments represent an investment in the household's residence as well as an investment in income producing property, the mortgage payment, interest, and taxes will be deductible only as part of the household's shelter costs and not as a cost of producing income. If the household can document, however, that costs on that portion of the home used in the self-employment enterprise are separate and identifiable, taxes, interest, and other identifiable costs (but not including payments on the mortgage principal) may be deducted as a cost of doing business.

6. Costs Not Allowed (7 CFR 273.11(a)(4)(ii))

The following items are not deductible as a cost of doing business:

- a. net losses from previous periods.
- b. federal, state, and local income taxes.

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- c. money set aside for retirement purposes.
- d. other work related personal expenses, such as transportation to and from work.
- e. depreciation.

NOTE: "b", "c", and "d" are included in the 20% earned income deduction.

7. Allowable Costs of Producing Income for Day Care Providers

When day care is provided in the home of a member of one household to children other than those living in the same food stamp household, an allowance must be made for the cost of meals and snacks that are provided. The allowance is as follows, unless the provider documents actual costs that exceed these amounts:

Breakfast - \$.96 per meal; Lunch or Supper - \$1.78 per meal;
Snacks - \$.53 per meal.

Money paid to day care providers under Section 12 of the School Lunch Act to serve meals to children, other than their own, is countable. Allowable business costs, as described above, are given.

8. Net Loss from Farm or Fishing Operations (7 CFR 273.11(a)(2)(iii))

Self-employed farmers as defined in Part XII.A.b. of this manual and self-employed fishermen may have a net loss once allowable costs of doing business are deducted from gross farm income. If the farmer or fisherman receives annual gross proceeds of \$1,000 or more from the farming or fishing enterprise, any net loss amount must be prorated over the year in the same manner used to prorate the farm or fishing income. Losses from farm or fishing self-employment enterprises are offset in two phases. The first phase is offsetting against non-farm/fishing self-employment income. The second phase is offsetting against the total of earned and unearned income. The gross income eligibility standard is applied after offsetting. The earned income deduction is based on wages and salaries, and any income from self-employment remaining after the first phase of offsetting.

9. Depreciation

Depreciation is not allowed as a cost of producing self-employment income for equipment, machinery or other capital investments necessary to the self-employment enterprise.

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A. GENERAL PROVISIONS

All persons who are able to work must be working or actively engaged in a work activity in order to receive food stamps. Unless an exemption to the Work Requirement exists, individuals may receive food stamps for only three months during a 36-month period.

A nonexempt able-bodied household member must:

1. work for cash wages in any amount or for in-kind goods or services for 20 hours or more per week, averaged monthly;
2. participate in and comply with requirements of an employment services program operated by the Department of Social Services, other than job search, for 20 hours or more per week or for the number of hours assigned for the work experience component as calculated by the **household's** allotment divided by the federal minimum wage;
3. participate in and comply with non-departmental (DSS) work programs for 20 hours or more per week;
4. serve in an unpaid, volunteer capacity for a public or private agency, at a minimum, for the number of hours that is equal to the individual member's share of the allotment divided by the federal minimum wage; or
5. any combination of these activities

in order to receive food stamps beyond three months. A nonexempt able-bodied household member may also participate in and comply with Workfare program requirements (Part XXII) in order to receive food stamps beyond three months. If the member was unable to work, as described above, because of good cause, the member will meet the Work Requirement as long as the absence is temporary and the member retains the job.

The 36-month period is a fixed period from the first of the month in which a household containing an individual subject to the Work Requirement is certified. The 36-month period will begin and continue for any household member between the ages of 18 and 50, even if an exemption from the work requirement exists for that member at the time of certification or other case action. Tracking must be completed for all persons within the age range, even when they are exempt.

Any month in which an affected individual receives the full benefit month as part of a certified household will count toward the three-month limit. Months in which a household receives prorated benefits will not count toward the three-month limit. Months in which the household does not receive an allotment because benefits are prorated to zero (i.e., less than \$10) will not count toward the limit however. Months in which a certified household is eligible to receive benefits but does not actually participate do not count toward the three-month period. Months for which a household

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repays benefits received erroneously also will not count toward the three-month limit once the household repays the claim in full.

A work program, for the purposes of this provision, will include programs operated under the Workforce Investment Act (WIA) and the Trade Adjustment Assistance Act in addition to the agency-sponsored employment and training programs. Job search activities assigned through FSET or other state or local social services programs are not acceptable tasks to count toward establishing a household member's eligibility for continuing benefits beyond the initial three-month limit. Job search activities assigned through WIA will be evaluated as an acceptable task however.

After three months of receiving benefits, an individual, not exempt from the Work Requirement, is not entitled to additional benefits during the balance of the 36-month period, except as allowed in Part XV.C. The agency must send an advance notice to participating households when a member becomes ineligible to participate further. These household members are disqualified household members during any period in which the individuals do not meet the Work Requirement. See Parts VI.C and XII.E for a discussion of disqualified household members.

Ongoing households with members who are not eligible because of the work requirement must continue to report changes involving these members. These households must be assigned certification periods of three months or less in order to capture information about the ineligible members who would otherwise be required to be household members.

B. WORK REQUIREMENT EXEMPTIONS

The following persons are exempt from the Work Requirement:

1. Any person who is under 18 years of age or over 50 years of age. See Part XIII.A.2.
2. Any person who is medically certified as mentally or physically unfit for work.
3. Any adult member of a food stamp household of which a child under age 18 is present.
4. A pregnant woman.
5. Any resident of a locality with an annual unemployment rate of 10% or greater or with a labor surplus, unless the locality opts not to receive the exemption. See Appendix 1 of this Part for the Virginia localities that meet these exemption categories.
6. Any person who is otherwise exempt from work registration as outlined in Part VIII.A.1.

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Localities Whose Residents Are Exempted from the Work Requirement*

July 1998- June 1999	July 1999- June 2000	July 2000- June 2001	July 2001- October 2002
Accomack	Accomack	Accomack	Accomack
Bath	Bath	Buchanan	Buchanan
Buchanan	Buchanan	Danville	Carroll
Danville	Danville	Dickenson	Danville
Dickenson	Dickenson	Essex	Dickenson
Essex	Essex	Giles	Giles
Giles	Giles	Halifax	Grayson (3/02)
Halifax	Halifax	Henry/	Halifax
Highland	Highland	Martinsville	Henry/ (3/02)
Lee	Lee	Lee	Martinsville
Norton	Norton	Norton	Lee
Pittsylvania	Nottoway	Prince Edward	Norton
Russell	Pittsylvania	Russell	Russell
Smyth	Prince Edward	Smyth	Surry
Surry	Russell	Surry	Tazewell
Tazewell	Smyth	Tazewell	Wise
Washington	Surry	Williamsburg	
Williamsburg	Tazewell	Wise	
Wise	Washington		
Wythe	Williamsburg		
	Wise		
	Wythe		

*The agency must track the work requirement for all household members except those persons under 18 or over age 50.

If the household requests renegotiation and the local agency concurs with the request, the household may negotiate a new payment schedule. Both the local agency and the household have the option to initiate renegotiation of the payment schedule if they believe that the household's economic circumstances have changed enough to warrant such action.

If a participating household agrees to repay the claim by making installment payments, and does not submit a payment by the specified due date, the local agency must invoke allotment reduction.

2. Compromising Claims

If it can be reasonably determined that the household's economic circumstances dictate that the claim will not be paid in three years, the local agency may compromise the claim, or any portion of the claim, by reducing it to an amount that will allow the household to pay the claim in three years. The local agency may use the full amount of the claim, including any amount compromised, to offset a restoration of lost benefits. The local agency may reinstate any compromised portion of the claim, if the claim becomes delinquent. The local agency must document the reason for the compromise.

F. COLLECTION METHODS (7 CFR 273.18(f)&(g))

1. Allotment Reduction (7 CFR 273.18(g)(1))

A household may choose to have its food stamp allotment reduced to repay a claim. However, the local agency must implement allotment reduction against a participating household unless the household is making regular payments in an amount greater than the amount that could be recovered through allotment reduction or another household is already having its allotment reduced for the same claim.

Prior to reduction, the local agency must inform the household orally or in writing of the appropriate formula for determining the amount of food stamps to be recovered each month and the effect of that formula on the household's allotment, i.e., the amount of food stamps the local agency expects will be recovered each month.

For an AE or an IHE claim, the amount of the reduction must be limited to 10% of the allotment or \$10, whichever is greater, unless the household agrees to a higher amount. For an IPV claim, the amount of the reduction must be limited to 20% or \$20, whichever is greater, unless the household agrees to a higher amount. The *Repayment Agreement* must be used to document the household's request for a higher allotment.

The local agency may not reduce the initial month's allotment at application or reapplication unless the household agrees to the reduction. The local agency must document this agreement.

The local agency or State agency may not use involuntary collection methods, such as state or federal offsets, against individuals in a household that is having its allotment reduced.

2. Lump Sum Payments (7 CFR 273.18(g)(4))

The local agency must accept any payment for a claim, whether it represents full or partial payment. The payment may be made with paper food coupons, cash, check, money order, credit or debit card. The local agency does not have to accept a credit or debit card if the local agency does not have the capability to accept these types of payments. The local agency must retain appropriate documentation of the payment. The local agency must destroy any food coupons or coupon books and retain documentation of the destruction.

3. Installment Payments (7 CFR 273.18(g)(5))

The local agency may accept installment payments as the result of a negotiated repayment agreement. The repayment agreement must include a due date for the payments. The payments may be made by paper food coupons, cash, check, money order, credit or debit card. The local agency does not have to accept a credit or debit card if the local agency does not have the capability to accept these types of payments. The local agency must retain appropriate documentation of the payments. The local agency must destroy any coupons or coupon books and retain documentation of the destruction.

If the household does not submit a payment in accordance with the terms of its negotiated repayment agreement, the claim will be considered delinquent and subject to additional collection actions. If the household is participating in the program, allotment reduction must be invoked.

4. Electronic Benefit Transfer (EBT) Accounts (7 CFR 273.18(g)(2))

The local agency must allow a household to pay its claim using benefits from its EBT account. At the household's request, this reduction may be used in addition to allotment reduction **or other repayment methods**.

The local agency must obtain written permission from the household in order to collect from a household's active EBT account. **The household should complete the Repayment Agreement form to note permission for a one-time or monthly payment from the EBT account. The agency must send the household a receipt of each transaction.**

The local agency may collect from a household's **dormant** EBT account **(between 91 and 364 days of inactivity)**, but only after the **agency** mails the household a notice about a deduction from the EBT account. **The agency may use the Notice of Deduction from an Inactive EBT Account form.** Unless the household notifies the local agency within 20 days of the notice that it does not want its **dormant** EBT account reduced, the local agency may collect from this account.

After 365 days of inactivity, the local agency must also use any benefits expunged from the household's EBT account to offset the amount of the claim. This offset may be done at any time during the collection process. **The local agency does not need the household's permission to apply expunged benefits to a claim but the agency must send the household a receipt to note the claim reduction. The agency may use the Notice of Deduction from an Inactive EBT Account form as the receipt**

5. Offsets to Restored Benefits (7 CFR 273.18(g)(3))

The local agency must reduce any restored benefits owed to a household by the amount of any outstanding claim. This offset may be done at any time during the collection process.

6. Public Service (7 CFR 273.18(g)(7))

The local agency may accept public service as a form of payment, but only if a court orders the public service specifically in lieu of paying the claim. The local agency, in conjunction with the court, should set the hourly rate for the work performed. The local agency must retain appropriate documentation.

7. Treasury's Offset Programs (TOP) (7 CFR 273.18(n))

The State agency must refer eligible claims that are delinquent for six months or more to TOP for offset against any eligible Federal payment, including, but not limited to, federal tax refunds, salaries of federal employees and retirement benefits. Claims will be submitted to TOP in accordance with the Department of Treasury's instructions.

8. Other Collection Actions (7 CFR 273.18(g)(8))

The local agency may employ involuntary collection action to collect delinquent claims against non-participating households. These actions include, but are not limited to, civil action, to include wage garnishments and/or liens against property, and referral to public or private collection agencies. As a last resort, when all other collection efforts have failed, the repayment of claims may be accomplished by offsetting the balance against state tax refunds or lottery payments.

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9. Unspecified Collections

When funds are received for a combined public assistance/food stamp claim and the household does not specify to which claim to apply the collection, each program must receive its pro rata share of the amount collected.

10. Overpaid Claims

If a household overpays a claim, the household must be provided a refund as soon as possible after the over-collection is discovered, unless the over-collection is attributed to an expunged EBT benefit. The method of refund will depend on what caused the overcollection. For example, an overcollection due to allotment reduction will be refunded by a restoration to the household.

G. COLLECTING IPV CLAIMS

When a household member is found to have committed an IPV by a court of appropriate jurisdiction, the local agency must request the matter of restitution be brought before the court. If the court mandates restitution, the amount of the claim against the household will be established by the court, even if the amount of restitution ordered is less than the amount of the original claim. The court order to repay will serve as the household's demand letter.

If the court does not rule on restitution, or the IPV was established by an ADH, or the household member waived his/her right to an ADH, the local agency must initiate collection action by sending the household the demand letter, *Request for Repayment of Extra Food Stamps (IPV)* and a *Repayment Agreement*, unless:

- The household has repaid the overpayment as a result of an IHE demand letter; or,
- The local agency has documentation that shows the household cannot be located.

An IPV demand letter and a repayment agreement must also be sent for any unpaid or partially paid IPV claim, even if the household has previously received an IHE demand letter.

The local agency should pursue other collection action to obtain restitution against any household that fails to respond to a written demand letter for repayment of any IPV claim if the claim cannot be collected through direct payment or allotment reduction, unless the agency can determine that other means are generally not cost effective.

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1. Decisions that result in an increase in household benefits must be reflected in the coupon allotment within 10 days of the receipt of the hearing decision, even if the local agency must provide a supplementary allotment or otherwise provide the household with an opportunity to obtain the allotment outside of the normal issuance cycle. The local agency may take longer than 10 days if it elects to make the decision effective in the household's normal cycle, provided that the issuance will occur within 60 days from the household's request for the hearing.
2. Decisions that result in a decrease in household benefits must be reflected in the next scheduled issuance following receipt of the hearing decision. No additional notice to the household is needed.
3. When the decision of the hearing officer or Commissioner, as appropriate, determines that a household has been improperly denied program benefits or as been issued a smaller allotment than it was due, lost benefits must be provided to the household in accordance with Part XVI.A.
4. When the decision of the hearing officer or Commissioner, as appropriate, upholds the local agency's action, a claim against the household must be prepared in accordance with Part XVII.A. for any overissuances.
0. INTRODUCTION TO ADMINISTRATIVE DISQUALIFICATION HEARINGS (ADH) (7 CFR 273.16(e))

An Administrative Disqualification Hearing (ADH) is an impartial review by a hearing officer of a household member's actions involving an alleged intentional program violation (IPV) for the purpose of rendering a decision of guilty or not guilty of committing an IPV.

In order to request an ADH, there must be clear and convincing evidence that demonstrates that a household member committed or intended to commit an IPV as described in Definitions. Examples of evidence include, but are not limited to, the following:

1. Written verification of unreported income or resources received by the household;
2. Verification that the household understands its reporting requirements by its signature under the rights and responsibilities section of the application or on some other form;
3. An application or change report form submitted during the period the IPV is alleged to have occurred which omits the information in question;
4. Documented contacts with the household during the period the IPV is

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alleged to have occurred in which the household failed to report information in response to agency queries about household circumstances.

Each example noted above does not have to be presented to document intentionality however it is likely that such deliberateness can only be shown through the presentation of more than one of these evidence examples.

P. INITIATION OF AN ADH

The local agency must ensure that the evidence against the household member alleged to have committed the IPV is reviewed by either an Eligibility Supervisor or Agency Director/Superintendent for purposes of certifying that such evidence warrants a referral for an ADH.

Prior to submitting the Referral for Administrative Disqualification Hearing to the State Hearing Authority, the local agency must provide the forms, Notification of Intentional Program Violation and Waiver of Administrative Disqualification Hearing and the "Administrative Disqualification Hearings" pamphlet to the household member suspected of the IPV. To determine the appropriate disqualification period for the notification form, the agency must access the Disqualified Recipient Subsystem (DRS) data to determine the number of prior disqualifications an individual may have. The DRS information about prior disqualifications must be verified before deciding on the length of the penalty. See Part XVII.M.2. for additional information about DRS.

The waiver must be returned to the agency within 10 days from the date notification is sent to the household in order to avoid submission of the referral of ADH. If a signed waiver is received, no ADH is conducted and the disqualification period is imposed in accordance with policy at Part XVII.M.1. A copy of the signed waiver is to be sent, for federal reporting purposes, to:

Hearings and Legal Services Manager
Virginia Department of Social Services
730 East Broad Street
Richmond, VA 23219-1849

If no waiver to the ADH is received within 10 days, the local agency must submit the Referral for Administrative Disqualification Hearing to the Hearings Manager. The form must include the following information:

1. Identifying Information as requested at the top of the form
2. Summary of the Allegation(s)
3. Summary of the Evidence
4. Copies of documents supporting the allegation.

Following the ADH, the hearing officer must prepare a written report of the substance of the hearing that must include findings, conclusions, decision and appropriate recommendations. The decision must specify the reasons for the decisions, identify the supporting evidence, identify pertinent food stamp regulations and respond to reasoned arguments made by the household member or representative.

The hearing officer must notify the household member of the decision. The form "Administrative Disqualification Hearing Decision" must accompany the findings. The Commissioner must inform the household of its right to request review of the decision. If the household member is found guilty of IPV, the decision must advise the household that disqualification will occur.

The determination of IPV by the hearing officer cannot be reversed by a subsequent fair hearing decision.

The household member is entitled to seek relief in a court of appropriate jurisdiction. The period of disqualification may be subject to stay by a court of appropriate jurisdiction or other injunctive remedy.

The amount of the overissuance subject to repayment may be appealed by a fair hearing, provided that the household member did not request a fair hearing for that reason that was consolidated with the ADH.

If the household member or representative did not appear at the hearing and the hearing officer determines that an IPV was committed, the hearing officer will delay notification of the decision until 10 days after the date of the hearing to allow the individual time to present good cause for failing to attend.

T. IMPLEMENTATION OF THE ADH DECISION

Upon receipt of the notice of a decision from the hearing officer finding the household member guilty of an IPV, the local agency must inform the household of the disqualification by sending a "Notice of Disqualification Due to Intentional Program Violation" or other disqualification notice approved for use. The notice must inform the household of the reason for disqualification and must inform the household that the disqualification will be effective upon receipt of the notice. The household member who committed the IPV must be disqualified in accordance with the length of time specified in Part XVII.M.1. The local agency must also provide written notice to the household of the allotment that will be received, or advise that a recertification application must be filed if the certification period has expired.

If it is determined that the individual did not commit an IPV, no disqualification will be imposed and any overissuance must be handled as a nonfraud claim.

**COMMONWEALTH OF VIRGINIA
DEPARTMENT OF SOCIAL SERVICES
FOOD STAMP PROGRAM
REQUEST FOR VERIFICATION**

TO:

Case Name: _____

Case Number: _____

Agency: _____

Date: _____

In order to determine your eligibility for food stamps or your continued eligibility for food stamps, you must provide the following information or take the following actions:

_____ **Proof of your address**
☐ **Verification Form Attached**

_____ **Proof of who lives in your household and relationship**

_____ **Proof of your household's income**
☐ **Verification Form Attached**

_____ **You missed the interview to discuss your food stamp application on _____.** You must reschedule the interview or we will deny your application.

_____ **Other** _____

Please take the requested action by _____ or we will close your food stamp case or deny your application. If you need help in obtaining verifications, please contact me.

Eligibility Worker

Telephone number

Reminder: Be sure to report changes in your circumstances to the agency within 10 days.

Request for Verification

FORM NUMBER - 032-03-385

PURPOSE OF FORM - To request a household provide clarification or verification of the household's circumstances **or to notify the household of a missed scheduled interview.**

USE OF FORM - The Eligibility Worker must complete the form to request clarification, verification, **or action taken by** an applying or participating household. The household must take the requested action within ten days. The Eligibility Worker must follow this form with an Advance Notice of Proposed Action or Notice of Action if the agency alters the household's eligibility or benefit level in response to the Request for Verification form.

NUMBER OF COPIES - Two.

DISPOSITION OF FORM - The agency must mail the form to the household and retain a copy of the completed form.

INSTRUCTIONS FOR PREPARATION OF FORM - The worker must complete the general case information and note the specific request for which the household is responsible for completing, **including rescheduling an interview.** The worker must also include the deadline for the submission of the information that is ten days after the mailing date.

- a. Training placements must be based on an assessment that indicates training is necessary to improve the registrant's employability.
- b. Training programs to which registrants may be referred include, but are not limited to:
 1. Computer classes,
 2. Vocational Rehabilitation,
 3. Employment Training and Education Programs.
- c. Participation in training programs is limited to the amount of time generally allowed for the completion of the program.
- d. During the registrant's participation in a training program, his/her progress must be monitored to ensure that satisfactory progress, as defined by the training facility, is being made. However, at a minimum, an evaluation may consist of documentation from the training facility that shows the registrant's progress. Registrants who are not progressing satisfactorily may be assigned to another activity that will more adequately move them toward employment.
- e. Attendance must be monitored on an on-going basis. The Time and Attendance Report may be used for this purpose.
- f. The completion of a training assignment may be followed by two weeks of job search.

D. SOCIAL/SUPPORTIVE SERVICE

Social/supportive services may be provided to participants in the FSET program, including volunteers, for expenses that are reasonably necessary and directly related to participation in the FSET program.

The Local Agency may provide supportive services in excess of the current Federal limit of \$25.00 per month, however, only costs that are up to but not in excess of this amount will be subject to Federal cost sharing. This limit does not pertain to Child Day Care. The limit must be applied equally for each registrant. Agencies are encouraged to explore alternatives to removing barriers if supportive service funds are limited.

If supportive services are essential for participation in a component and neither the registrant nor the agency can provide them, and no alternatives

are available, the registrant cannot be required to participate in a component and cannot be sanctioned for noncompliance. In these situations, the participant will be placed in either pending or inactive status.

The need for any supportive services must be linked to needs identified on the registrant's Plan of Participation.

Registrants who have been sanctioned are not entitled to supportive services while in sanction status unless such services are necessary for the participant to perform a verifiable act of compliance.

1. FSET Worker Responsibilities

- a. The FSET worker is a case manager. The worker must assist the registrant in meeting his/her service needs. This may be done directly by the FSET worker or through a referral to a service/social worker or an outside service provider.
- b. When providing social services to recipients, the Plan of Participation may replace the Service Application regardless of the funding source for the service.

2. Social Services for Registrants

There are four categories of social services available to FSET registrants. These FSET social services may be provided directly or may be purchased.

a. Child Day Care

Child day care services are provided to enable a caretaker to participate in program components.

1. Arrangement for and/or payment of child day care as a supportive service must be provided when the registrant needs this service to participate in component activities.
2. Participants who are parents of school age children are expected to search for a job during the hours that the children are in school. However, if a job interview must take place outside of school hours, childcare may be authorized.

1. If the registrant does not respond to the Notice by the date given, he/she must be referred to the EW for sanctioning.
2. If the registrant responds to the Notice, the information becomes part of the documentation needed to determine if the sanction will be imposed. If the registrant does not present good cause, he/she must be referred to the EW for sanctioning. If good cause is determined to exist, no sanction will be imposed.

5. Sanction Process

- a. In agencies in which both the FSET program and the FS case are not managed by one worker, the FSET worker must advise the EW that a sanction is required, when to impose the sanction and which time period to impose. The Communication Form must be used. The EW must send the participant the Food Stamp Sanction Notice for Non-Compliance with A Work Requirement to explain the reason for the sanction, the amount of benefit reduction to be imposed, and the duration of the sanction.

In agencies in which both the FSET program and the FS case are managed by one worker, that worker must send both the FSET Notice of Sanction and the Food Stamp Sanction Notice For Non-Compliance With A Work Requirement at the appropriate times.

- b. The sanction must be imposed the first month following the month in which the case was referred for sanctioning, if administratively possible. If not administratively possible, the sanction will be imposed the following month.
- c. The FSET case must remain open until the EW notifies the FSET worker that the sanction is in effect (i.e., the food stamp case has closed or the non-complying individual has been removed from the allotment).
- d. See Part VIII.C for a discussion of sanction periods.

6. Determining Compliance after the Sanction Is Imposed

The sanction period must be served before the household or individual is eligible again except in instances when the individual who caused the action leaves the household or becomes exempt from work registration **or from FSET requirements**. The individual must comply with the FSET program requirements to the satisfaction of the FSET worker.

J. APPEALS/HEARINGS

1. Right of Appeal

All registrants have the right to appeal any agency decision that might result in adverse action being taken against them.

The appeal process in place for the food stamp certification actions must be used to ensure fair hearings for recipients who wish to contest the actions taken by the agency as a result of their non-compliance with FSET requirements. See Part XIX for the appeals process.

If the registrant files a valid appeal within the established time frame, the food stamp allotment must be reinstated until the hearing officer renders a decision **unless the household does not want the benefits to continue.**

2. Hearings

a. For all appeals involving FSET sanctions, with the exception of the situation in which a household member refuses to register, the following procedures must be followed:

1. The Eligibility staff must notify the FSET worker of the date and time of any pre-hearing conference and of the date and time of the appeal hearing set by the hearing officer.
2. A representative of the FSET Unit must be present during the pre-hearing conference and the appeal hearing.
3. The summary of facts must be prepared jointly by the EW and the FSET worker.

See Part XIX for additional procedures for the fair hearing process.

b. The FSET case must remain open until a decision is rendered.

1. If the agency action is reversed, the registrant must be reassessed to determine the appropriate component assignment.
2. If the agency action is sustained, the FSET case must be closed.

FSET STATISTICAL REPORT

FORM NUMBER - 032-02-086

PURPOSE OF FORM - This form provides a monthly summary of program activities for those agencies operating a Food Stamp Employment and Training Program (FSET).

USE OF FORM - The form provides statistical data for required reports prepared for the USDA Food and Nutrition Service, State Board of Social Services, and General Assembly. It is also used as a monitoring tool for the Central Office.

NUMBER OF COPIES - Original and one copy

DISPOSITION OF COPIES - The original of this report must be forwarded to Division of Finance, 730 East Broad Street, Richmond, Virginia 23219 to arrive no later than the tenth calendar day after the close of the report month. The second copy must be retained by the local agency.

INSTRUCTIONS FOR PREPARATION OF FORM:

Enter the appropriate identifying information in the upper right hand side of the form. Enter the name, phone number and E-mail address of the person who may be contacted for questions regarding this report.

- A. Enter the number of referred registrants for the month and total them. "Vol." stands for volunteer.
- B. Enter the number of **initial assessments and reassessments** for the month. **Enter the number of referrals received in the month that were not assessed by the end of the month for the "Referred, not assessed" entry.** Total the amounts.
- C. Enter the number of pending registrants who have a particular barrier for each category and total them. Medical barrier includes pregnancy.
- D. Enter the number of inactive registrants who have a particular barrier for each category and total them. Medical barrier includes pregnancy.
- E. Enter the number of registrants that were assigned to a component and total them.
- F. 1. Enter the number of registrants who claimed good cause for failure to participate after receiving the FSET Notice of Sanction for the month.

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2. Enter the number of registrants who were referred to Eligibility for a sanction.
- G. Enter the number of ABAWDs that were offered a space in a component, but did not fill it under the Offered heading. Enter the number of ABAWDs that actually participated in a component for that month under the Filled heading. For each placement, a registrant may count as either offered or filled only.
- H. Enter the number of registrants who entered full time or part time employment while they were assigned to a component.
- I. Enter the number of cases that were closed or reduced due to employment and sanctioning. Include the amount of savings to the closed case or the amount of the reduction to their Food Stamp case.

Monthly On-Board Count - This is a count of registrants carried over from the previous month and is taken on the first day of the report month. The on-board count is an unduplicated count. Registrants should not be included in both this item and in item A.

Active - This is a count of all registrants in an active status on the first day of the report month.

Inactive - This is a count of all registrants in an inactive status on the first day of the report month.

Referred but not assessed (RNA) - This is a count of referrals that were received and counted in a previous month, but not yet assessed. This count is also taken on the first day of the report month.